

STATE OF CALIFORNIA
DEPARTMENT OF MOTOR VEHICLES

VEHICLE INDUSTRY NEWS

VIN 2002-12

Subject : Registration Fee Penalty Increase

Background

Legislation (AB2996) effective January 1, 2003, changes the formula for computing late payment penalties assessed on the *Registration Fee*.

Historically, penalties assessed for late payment of initial registration or renewal fees were computed as a percentage of the total combined *Registration Fee*, *Vehicle License Fee* (VLF), and *Weight Fee*, if any.

The new penalty structure separates the *Registration Fee* from the *VLF* and *Weight Fee* before computing the late penalty fees. *VLF* and *Weight Fee* penalties will continue to be computed using a percentage of their total. The *Registration Fee Penalty* will be computed using **set** amounts.

The new penalty structure is effective with original, renewal, **and** Planned Non-Operation penalties that become due on or after January 1, 2003. The old penalty structure continues to apply to all penalties that became due prior to January 1, 2003.

Procedures

Original Registrations

When submitting a late application for original registration with a “fee due date” or “date of first operation” of January 1, 2003, or later, calculate the penalties as follows:

<i>If payment is late:</i>	<i>The penalty will be the sum of:</i>
1 year or less	\$30 <i>Registration Fee Penalty</i> 40% of the <i>VLF</i> due for that year 40% of the <i>Weight Fee</i> due for that year, if any
More than 1 year–2 years	\$50 <i>Registration Fee Penalty</i> 80% of the <i>VLF</i> due for that year 80% of the <i>Weight Fee</i> due for that year, if any
More than 2 years	\$100 <i>Registration Fee Penalty</i> 160% of the <i>VLF</i> due for that year 160% of the <i>Weight Fee</i> due for that year, if any

Renewal of Registration

When submitting a late application with a registration expiration date on or after January 1, 2003, calculate the renewal fee penalties as follows:

<i>If payment is late:</i>	<i>The penalty will be the sum of:</i>
1–10 days *	\$10 <i>Registration Fee Penalty</i> 10% of the <i>VLF</i> due for that year 10% of the <i>Weight Fee</i> due for that year, if any
11–30 days *	\$15 <i>Registration Fee Penalty</i> 20% of the <i>VLF</i> due for that year 20% of the <i>Weight Fee</i> due for that year, if any
31 days–1 year *	\$30 <i>Registration Fee Penalty</i> 60% of the <i>VLF</i> due for that year 60% of the <i>Weight Fee</i> due for that year, if any
More than 1 year–2 years	\$50 <i>Registration Fee Penalty</i> 80% of the <i>VLF</i> due for that year 80% of the <i>Weight Fee</i> due for that year, if any
More than 2 years	\$100 <i>Registration Fee Penalty</i> 160% of the <i>VLF</i> due for that year 160% of the <i>Weight Fee</i> due for that year, if any

* A Planned Non-Operation may be filed up to 90 days after the registration expiration date if the vehicle was not operated in any manner, but appropriate late penalties are due as shown above.

Other Penalties

Late penalties on other fees such as Use Tax and Transfer Fees will not change.

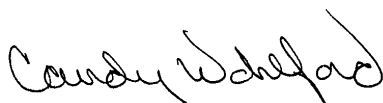
Distribution

This memo was distributed in October 2002 to the following:

- Dealers
- Registration Services

Contact

Contact the DMV Customer Communications Section at (916) 657-6560 for further clarification of this memo. Upon request, this document can be produced in Braille or large print.



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